

**PEARSON PENSION PROPERTY FUND LIMITED**

**FINANCIAL STATEMENTS FOR THE  
YEAR ENDED 31 DECEMBER 2004**

**Registered Office:**

**80 Strand  
London  
WC2R 0RL**

**Registered in England  
Number 1781933**



**PEARSON PENSION PROPERTY FUND LIMITED**

**Directors**

J A B Joll  
N E Cohen  
M H A Broke  
J W Hackman  
A C Miller

**Report of the Directors**

The directors present their report and the financial statements for the year ended 31 December 2004.

The company's sole activity during the year ended 31 December 2004 was as administrator to The Pearson Pension Property Fund. The company received no income nor incurred any expenditure during the year.

The present directors, who served throughout the year, are listed above.

None of the directors of the company as at 31 December 2004 held any interest in the shares of the company during the year

During the year to 31 December 2004 the company maintained an insurance covering officers of the company against liabilities arising in relation to the company in accordance with section 310(3)(a) of the Companies Act 1985.

By order of the board



P Jenkins  
Secretary

21 March 2005

PEARSON PENSION PROPERTY FUND LIMITED

Balance Sheet at 31 December 2004

	<u>Notes</u>	<u>2004</u> £	<u>2003</u> £
<u>Debtors: amounts falling due within one year</u>			
Loan to Pearson plc	2	<u>100</u>	<u>100</u>
<u>Net current assets</u>		<u>100</u>	<u>100</u>
<u>Net assets</u>		<u>100</u>	<u>100</u>
 <u>Capital and reserves</u>			
Share capital	3	100	100
<u>Equity shareholders' funds</u>		<u>100</u>	<u>100</u>

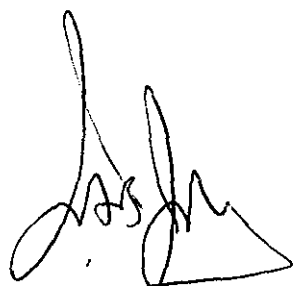
For the year ended 31 December 2004 the company was entitled to the exemption under section 249AA(1) of the Companies Act 1985.

Members have not required the company to obtain an audit in accordance with section 249 (B)(2) of the Companies Act 1985.

The directors acknowledge their responsibility for:

- (i) ensuring the company keeps accounting records which comply with section 221; and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit and loss for the financial year, in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

The financial statements on pages 3 and 4 were approved by the board on 21 March 2005.



J A B Joll  
Director



A C Miller  
Director

PEARSON PENSION PROPERTY FUND LIMITED

Notes to the financial statements for the year ended 31 December 2004

1. Accounting policies

The financial statements have been prepared in accordance with applicable accounting standards in the UK. A summary of the more important accounting policies, which have been applied consistently, is set out below.

*Basis of accounting - the financial statements are prepared under the historical cost convention.*

2. Debtors: amounts falling due within one year

The loan to Pearson plc is interest free and repayable on demand.

3. Share capital

	<u>2004</u>	<u>2003</u>
Authorised, issued and fully paid	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

4. Transactions with directors

No director had a material interest in any contract or arrangement with the company during the year.

5. Ultimate parent undertaking

The ultimate parent undertaking is Pearson Group Pension Trustee Limited which is registered in England and Wales.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting standards have been used and applied consistently with the exception of the changes arising on the adoption of new accounting standards in the year as explained, where applicable, in the accounting policies note. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2004 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.